

**FORM
INSP**

Rev
X/20

**State of Colorado
Energy and Carbon Management Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:

03/04/2026

Submitted Date:

03/04/2026

Document Number:

721100203

FIELD INSPECTION FORM

Loc ID: 333603 Inspector Name: Blair, Jamie On-Site Inspection: 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

ECMC Operator Number: 25250
Name of Operator: DUGAN PRODUCTION CORP
Address: P O BOX 420
City: FARMINGTON State: NM Zip: 87499-

Findings:

- 18 Number of Comments
- 7 Number of Corrective Actions
- Corrective Action Response Requested

ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE

Contact Information:

Contact Name	Phone	Email	Comment
Feil, Tyra		tyrafeil@duganproduction.com	SW Field inspections
Wheeler, Cody		Cody.Wheeler@duganproduction.com	SW Field inspections
Labowskie, Steve		steve.labowskie@state.co.us	
Blair, Jamie		jamie.blair@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
214890	WELL	PR	01/05/2022	GW	067-06494	ANIMAS 1	PR

General Comment:

On Wednesday, March 4, 2025, at 12:00 pm, Southwest Compliance Specialist Jamie Blair and Southwest Compliance Supervisor Steve Labowskie performed a compliance inspection and audit of Dugan Animas #1 well. There is staining from the compressor exhaust, and sediment control features that are full or non-functional. There are old pin flags, trash and debris around the site. It is not immediately apparent from the signs which well goes with which tank compared to other operator well at the same location. Any corrective actions from previous inspections still apply. Photos are included as an attachment to the document.

Location			
Lease Road:			
Type	Access		
comment:	Seasonal rutting from county road to well pad.		
Corrective Action:			Date:
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	OTHER		
Comment:	Well Pad Location in front of production equipment on west side of pad Photo 1.		
Corrective Action:			Date: <u>04/06/2026</u>
Type	WELLHEAD		
Comment:	There are two wells on the location from two operators and it is not clear which well belongs to which tank and equipment. Photos 14 and 15.		
Corrective Action:	Install well sign to comply with 605.d.		Date: <u>05/04/2026</u>
Type	TANK LABELS/PLACARDS		
Comment:	Tank battery sign for wrong company (Williams), wrong phone number. When phone is called they do not have record of location. Photos 2 and 3.		
Corrective Action:	Remove incorrect ownership and contact information from tank signs to comply with Rule 605.e.		Date: <u>03/09/2026</u>
Emergency Contact Number:			
Comment:	505-325-1223 Emergency 911 or 970 385 8700		
Corrective Action:			Date:
Good Housekeeping:			
Type	DEBRIS		
Comment:	There are old pin flags and pin flag wires that appear to be serving no purpose or are lying on the ground on various locations across the site, along with miscellaneous trash such as pop cans and water bottles, and a black plastic hose behind the tank. Photo 14.		
Corrective Action:	Police area for trash and debris and dispose of properly to comply with 606.		Date: <u>03/18/2026</u>
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No			
Comment:			
<input type="checkbox"/> Multiple Spills and Releases?			
Equipment:			
Type: Other		#	corrective date
Comment:	Wellhead. Photos 8 and 9.		
Corrective Action:			Date:
Type: Bradenhead		# 1	
Comment:			
Corrective Action:			Date:
Type: Gas Meter Run		# 1	

Comment: 12/2/25 calibration date		Date:
Corrective Action:		Date:
Type: Deadman # & Marked	# 2	
Comment:		
Corrective Action:		Date:
Type: Ancillary equipment	# 1	
Comment: Solar telemetry		
Corrective Action:		Date:
Type: Bird Protectors	# 2	
Comment:		
Corrective Action:		Date:
Type: Horizontal Separator	# 2	
Comment: One by meter run, one by compressor.		
Corrective Action:		Date:
Type: Compressor	# 1	
Comment: Inside of sound shed. Compressor exhaust hose is broken, is staining soil. Photos 8 and 9.		
Corrective Action: Conduct maintenance on equipment, cleanup stained material and review self inspection processes to comply with 1002.f.(2).D.		Date: 03/11/2026

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER		OTHER	PBV FIBERGLASS		37.144622,-107.889506
Comment:					
Corrective Action:		Date:			

Paint

Condition	Adequate
Other (Content)	
Other (Capacity)	80 BBL
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	
Comment:				
Corrective Action:		Date:		

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	OTHER	STEEL AST		37.144502,-107.889879
Comment: Tank has corrosion and has labels for wrong company and wrong contact information. Photos 2 and 3.					
Corrective Action: Inspect and maintain tank pursuant to 609.b.		Date: 04/06/2026			

Paint

Condition	Inadequate
Other (Content)	

Other (Capacity) 45 BBL	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Other	Adequate	Walls Insufficient	Base Insufficient	Inadequate

Comment: Containment is a plastic liner atop an eathen berm. There are holes in the liner and the liner is folded. Photo 4.

Corrective Action:	To prevent leakage, Operators will line secondary containment areas with an impervious synthetic or engineered liner that underlays all primary containment vessels including partially buried vessels. The liner will be sufficiently impervious so that any discharge from a primary containment system will not escape containment before cleanup occurs. The liner will be attached to secondary containment and any equipment penetrating the liner will have a sealed connection to comply with 603.o.(3).	Date:	<u>04/06/2026</u>
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Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms	Pass	Berms	Pass			
Check Dams	Fail	Check Dams	Fail			
Waddles	Fail					

Comment: [Check dams are full of sediment, straw wattles not functional. Access road and pad have seasonal rutting. Photos 17, 18, 19.](#)

Corrective Action: [Install or repair required BMPs per Rule 1002.f.\(2\)C.](#)

Date: 05/04/2026

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
See photos.	blairj1	03/04/2026

Attached Documents

You can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
404567157	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7468963
721100204	Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7468959